COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF)
CUMBERLAND VALLEY ELECTRIC,) CASE NO. 2000-503
INC. FROM NOVEMBER 1, 1998 TO)
OCTOBER 31, 2000)

ORDER

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 12, 2000 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Cumberland Valley Electric, Inc. ("Cumberland") for the two years ended October 31, 2000.

As part of this review, the Commission ordered Cumberland to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Cumberland has complied with this Order. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that Cumberland has properly calculated and applied its FAC charge.

IT IS THEREFORE ORDERED that the charges and credits applied by Cumberland through the FAC for the period November 1, 1998 to October 31, 2000 are approved.

Done at Frankfort, Kentucky, this 14th day of March, 2001.

By the Commission

ATTEST:

Executive Director